

ARLINGTON FINANCE COMMITTEE
MINUTES OF MEETING
7:30PM TOWN HALL HEARING ROOM
4/27/11

ATTENDEES:

McGaffigan*	Bayer*	Jenkins*	Phelps	Corredera
DeCoursey	Connors*	Simmons	Gibian*	
Tosti*	Foskett*	Deyst*	Ronan*	
Ferrara	Franclemont*	Jones*	Deshler*	
DuBois*	Howard*	Fanning*	Carman*	Turkall*

* Indicates present

VISITORS: Selectman Annie LaCourt, Arlington Patch Photographer Pedro Olivera

OVERRIDE: LaCourt provides a spreadsheet summary (Ref 1) of the \$6.49m override to be voted on June 7. She explained the earmarked SPED and DPW monies. She stated that the BoS believes it is their responsibility to give the residents a chance to avoid service cuts. She answered many questions but not always to the satisfaction of all.. Members expressed concerns about a 10% tax increase, seeming to reward Town employees for intransigence on GIC, how the override & GIC funds would be spent, and PAYT policy. A motion was made for no action, a substitute motion was made for positive action and a second substitute motion was made to postpone until we hear about the Manager's plans and the Senate votes. VOTED to postpone 10-4

Ref 1 Three Year Projected Financial Plan

COMMITTEE Tosti to request input from Town Manager.

RESERVE FUND BALANCE: 528,409.26

Peter Howard 4/28/11

cc FinCom Members, Library File, Town Web Site

Three Year Projected Financial Plan 2012-2014

5/1/2011

\$6,490,000 - \$.94 mill rate - 7.5% Override - \$445 increase on avg. tax bill

	FY 2011	FY 2012	Dollar Change	Percent Change	FY 2013	Dollar Change	Percent Change	FY 2014	Dollar Change	Percent Change
I REVENUE										
A. State Aid	13,576,740	13,449,672	(127,068)	-0.94%	13,449,672	0	0.00%	13,449,672	0	0.00%
School Construction Aid	2,531,085	2,531,085	0	0.00%	2,531,085	0	0.00%	2,531,085	0	0.00%
SFSF	129,741	(129,741)	(259,482)	-100.00%						
IDEA Funds	359,964	(359,964)	(719,928)	-100.00%						
B. Local Receipts	8,820,707	8,910,000	89,293	1.01%	8,960,000	50,000	0.56%	9,010,000	50,000	0.56%
C. Free Cash/Muni Building Trust	582,051	481,456	(100,595)	-17.28%	600,000	118,544	24.62%	600,000	0	0.00%
D. Overlay Reserve Surplus	500,000	200,000	(300,000)	-60.00%	200,000	0	0.00%	200,000	0	0.00%
E. Property Tax	85,958,974	95,077,262	9,118,288	10.61%	97,540,654	2,463,392	2.59%	99,753,611	2,212,957	2.27%
F. Override Stabilization Fund	1,580,000	(1,580,000)	(3,160,000)	-100.00%				3,341,000		
TOTAL REVENUES	114,039,262	120,649,475	6,610,213	5.80%	123,281,411	2,631,936	2.16%	128,885,368	5,603,957	4.55%
II APPROPRIATIONS										
A. Operating Budgets										
School	38,591,451	41,974,806	3,383,355	8.77%	43,911,029	1,936,223	4.61%	45,947,939	2,036,910	4.64%
SFSF & IDEA	489,705									
General Education Costs	27,894,961	28,622,830	727,869	2.61%	29,624,629	1,001,799	3.50%	30,661,491	1,036,862	3.50%
Special Education Costs	11,186,195	13,351,776	2,165,581	19.36%	14,286,448	934,672	7.00%	15,286,448	1,000,000	7.00%
Net School Budget	39,081,156	41,974,606	2,893,450	7.40%	43,911,029	1,936,423	4.61%	45,947,939	2,036,910	4.64%
Minuteman	2,739,795	2,352,988	(386,807)	-14.12%	2,435,343	82,355	3.50%	2,520,580	85,237	3.50%
Town	21,013,819	21,712,557	698,738	3.32%	22,677,379	964,822	4.45%	23,527,784	850,405	3.69%
Expenses	9,110,916	9,160,916	50,000	0.55%	9,210,916	50,000	0.54%	9,260,916	50,000	0.54%
Less Offsets:										
Enterprise Fund/Other	1,629,215	1,634,410	5,195	0.32%	1,691,614	57,204	3.50%	1,750,821	59,207	3.50%
Tip Fee Stabilization Fund	680,000	450,000	(230,000)	-33.82%	400,000	(50,000)	-11.11%	198,315	(201,685)	-50.00%
Net Town Budget	27,815,520	28,789,063	973,543	3.50%	29,795,680	1,007,617	3.50%	30,839,564	1,043,884	3.50%
MWRA Debt Shift	5,593,112	5,593,112	0	0.00%	5,593,112	0	0.00%	5,593,112	0	0.00%
B. Capital budget										
Exempt Debt Service	2,618,094	2,836,327	218,233	8.34%	2,741,719	(94,608)	-3.34%	2,332,724	(408,995)	-14.92%
Non-Exempt Service	4,935,852	5,184,398	248,546	5.04%	5,192,797	8,399	0.16%	5,461,404	268,607	5.17%
Cash	934,947	1,033,400	98,453	10.53%	1,103,180	69,780	6.75%	1,030,500	(72,680)	-6.59%
Minus Capital Carry Forward	(514,300)	(209,300)	(305,000)	-59.30%						
Total Capital	7,974,393	8,844,825	870,432	10.92%	9,037,666	192,841	2.18%	8,824,628	(213,038)	-2.36%
C. Pensions	6,952,841	7,329,440	376,599	5.42%	7,709,206	439,766	6.00%	8,235,359	466,152	6.00%
D. Insurance	19,422,863	18,521,646	(901,217)	-4.64%	18,818,181	296,535	1.60%	20,135,433	1,317,252	7.00%
E. State Assessments	2,664,789	2,846,071	181,282	6.80%	2,917,223	71,152	2.50%	2,990,153	72,931	2.50%
F. Offset Aid - Library & School	58,547	62,085	3,538	6.04%	62,085	0	0.00%	62,085	0	0.00%
G. Overlay Reserve	670,331	600,000	(70,331)	-10.49%	800,000	200,000	33.33%	800,000	(200,000)	-25.00%
H. Other	498,449	594,000	95,551	17.16%	700,000	116,000	19.86%	700,000	0	0.00%
I. Warrant Articles	567,465	548,500	(18,965)	-3.34%	646,515	98,015	17.87%	646,515	0	0.00%
J. Override Stabilization Fund		2,603,139	2,603,139	100.00%	794,390			1,790,000		
TOTAL APPROPRIATIONS	114,039,262	120,649,475	6,610,213	5.80%	123,281,411	2,631,936	2.16%	128,885,368	5,603,957	4.55%
BALANCE	0	(0)			0			0		
Single Year Deficit										
Reserve Balances										
Free Cash	770,498	1,200,000	429,502	55.74%	1,200,000			1,200,000		
Stabilization Fund	2,551,951	2,602,990	51,039	2.00%	2,681,080			4,551,512		
Override Stabilization Fund	0	2,603,139	2,603,139	100.00%	3,397,529			56,529		
Tip Fee Stabilization Fund	1,010,675	580,889	(429,786)	-42.51%	196,315					
Municipal Bldg Ins. Trust Fund	944,422	963,310	18,888	2.00%	992,210			1,021,976		
TOTAL:	5,277,546	7,960,327	2,682,781	50.85%	8,469,133			6,830,017		
% of General Fund Revenue	4.6%	6.6%			6.9%			5.3%		

The Board voted to put the following question on the ballot for the June 7, 2011 Special Election:

"Shall the Town of Arlington be allowed to assess an additional \$6,490,000. in real estate and personal property taxes for the purpose of funding the operating budgets of the Town and the Public Schools for the fiscal year beginning July 1, 2011?

Mr. Dunn moved approval, seconded by Ms. LaCourt

SO VOTED (4-0)

Mr.

Greeley absent.

Three Year Override Commitments

1. No operating override will be requested for at least three years.
2. Town and School operating budget increases will be capped at 3.5% per year. An additional allowance of up to 7% shall be allowed for documented special education cost increases. Should actual special education cost increases exceed this amount, the remaining School budget shall be decreased by the difference.
3. Health care cost increases will be programmed at 7%. Should actual increases exceed this amount, the Town and School budget totals shall be proportionately decreased by the excess amount. Should actual increases be less than this amount as a result of negotiated health care savings, the Town and School budget totals may be proportionately increased by the difference.
4. Each year an additional \$600,000 shall be appropriated for core school services for the school department and \$400,000 shall be appropriated in the public works budget for road improvements, said amount shall be in addition to the amount currently appropriated in the capital budget for road improvements.
5. Reserves will be maintained at 5% of operating revenues over the course of three year commitment period.

Ms. LaCourt moved approval seconded by Mr. Dunn.

SO VOTED (4-0)